



State of Arizona  
Department of Education

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March 28, 2012

Dear Superintendents/Charter Administrators:

**RE: NCLB 12-04 – End of Year Update**

**1. Spring Coordinators' Meeting Follow-up**

Session materials from the March 9<sup>th</sup> Meeting are now available on the Title I page at:

<http://www.azed.gov/no-child-left-behind/title-i/spring-coordinators/>; attendees receive a professional development certificate by completing the evaluation survey at the link sent to you. Your comments are appreciated, as they impact future trainings.

**2. End of FY12 Grant Cycle – Amendments and Completion Reports**

The last date for amendments for projects ending June 30 is April 2 at 5 p.m. (See [Grants Management Memo 10-001](#)). Completion report deadline for those grants is September 30, 2012. A review of amounts of carryover for federal funds is being conducted by program staff. **Reminder:** the general waiver for exceeding the 15% carryover limit for Title I funds due to the additional ARRA funds will no longer apply. LEAs must apply individually to the Title I office to exceed the 15% for FY12 grants; procedures in place prior to the ARRA grants will be followed. Please plan accordingly.

**3. FY13 Funding Forecast from US Department of Education(ED)**

The ED is currently completing the data collection for the non-Census student counts (e.g., foster children, etc.) in order to develop allocations for Title I. While it appears that the amount of Title I funding is currently budgeted at the 2011-2012 amount, the impact of the use of 2010 Census makes predictions more uncertain. The redistribution of poverty nationwide impacts Arizona's share of the total Title I funds; Arizona has more children in poverty but its proportionate share is lower than 2009. Changes to individual LEA allocations within Arizona may be more significant due to the application of [2010 Census data](#) (link on the ADE website).

Secondly, LEAS should pay attention to the federal budget process and the potential impact of last summer's Budget Control Act, which requires 9% automatic, across the board spending cuts, beginning January, 2013. It is unknown how this would impact education funding in the middle of the school year.

Thirdly, approval of the ESEA Flexibility (see next item below) will impact the budget structure of the Consolidated Application, due to the elimination of most fiscal consequences of school and LEA improvement status.

#### **4. ESEA Flexibility Update**

The ADE submitted its [application for ESEA Flexibility](#) on February 28. The peer review process will be completed during the week of March 26. Based on the results of that review, the ADE will work with the ED to make adjustments, as needed, in order to reach an approved agreement. In the interim, the ADE is preparing implementation of each of the four principles. The work on implementing the Teacher and Principal Evaluation Systems as required by Principle 3 has already been in place and will continue. Support for implementing the new Standards (Principle 1) is now being augmented by the Race to the Top funds. To meet Principle 4 the ADE will take this opportunity to extend its Strategic Plan goal of process improvement and decreasing administrative burden.

Most significantly will be the changes to our Differentiated Recognition, Accountability, and Support System, as outlined in Principle 2. Last week Governor Brewer signed the bill that ended the AZLEARNS Legacy profiles. When the Flexibility plan becomes final Arizona's A-F Letter Grades will become **the** measure of performance for Arizona's schools and LEAs. This implies changes in the way schools and LEAs achieve improvement status and the redefines the consequences, as currently outlined in NCLB.

#### **5. NCLB 1 and NCLB 2 SAIS Transactions**

In March the ADE will report to ED certain demographic information required as a condition of our receiving federal education dollars. These reports come from information entered into SAIS.

On August 10, 2011, we sent a letter to all LEAs notifying them of the importance of entering into SAIS their students who are eligible to receive free or reduced price lunches. We also provided information indicating that failure to provide the required information could result in a loss of federal funding.

We stated that this information allows us to determine if any of your schools qualify to participate in the Teacher Loan Cancellation Program. Eligibility for this program can entitle your teachers to have up to \$17,500 of their outstanding, eligible, student loans forgiven. If we do not have free or reduced price lunch eligibility information, we may not be able to make an accurate determination for your schools. Second, we need this information to determine the amount of federal funds to allocate to charter schools. Failure to provide this information can distort the amount of funding distributed to charter

schools. Third, this information is required in order to make an accurate determination of adequate yearly progress in accordance with Section 1111(b) (2) of NCLB. Specifically, the ADE has defined economically disadvantaged students as those eligible for reduced price lunches.

We recently compared the information as reported in SAIS with other reports available to the ADE and determined many LEAs are underreporting the numbers of children who are eligible to receive free or reduced price lunch. They do not need to participate in the program; they merely need to be eligible. The reports we reviewed included Census data provided by ED and summary reports maintained by our own Health and Nutrition Section. We will be contacting many of the LEAs who appear to have underreported and asking them to provide additional documentation shortly. We are asking that you review your information, comparing the numbers you have reported as NCLB indicator 1 and NCLB indicator 2, and that you make any necessary corrections. If you are unable to make the necessary corrections before April 30, 2012, we ask that you provide us a timeframe for making the corrections.

If you have questions, please contact me at [nancy.konitzer@azed.gov](mailto:nancy.konitzer@azed.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Nancy Konitzer". The signature is fluid and cursive, with the first name "Nancy" and last name "Konitzer" clearly distinguishable.

Nancy Konitzer  
Deputy Associate Superintendent  
Title I and Consolidated Programs  
Highly Effective Schools Division